



United States
Department of
Agriculture

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Farm Service Agency

Fact Sheet

Hard White Wheat Incentive Program

Montana State Producer Handbook



Background

The 2002 Farm Bill authorizes \$20 million during the 2003 through 2005 crop years for the Hard White Wheat Incentive Program (HWWIP). The goal of HWWIP is to increase the number of bushels of both spring and winter varieties of hard white wheat produced in the United States. This program provides two payments to producers:

1. **Production Incentive Payments:** An incentive payment of \$0.20 per bushel of eligible hard white wheat production, with a maximum of 60 bushels per acre eligible for payment.
2. **Certified Seed Incentive Payment:** A payment of \$2.00 per acre for certified seed. Producers do not have to plant certified seed to receive the production incentive payment.

The 2002 Farm Bill also mandates that this program shall be implemented on not more than 2,000,000 acres or equivalent volume of production for the 2003 through the 2005 crop years. An equivalent volume of production has been determined to be 120,000,000 bushels.

Note: Producers are eligible to receive both the certified seed and production incentive in the same year. Where an acre of land receives both the certified seed incentive and production incentive payment in the same year, only

one acre shall be counted under the total 2,000,000 acreage limitation.

Production Incentive Payment

A production payment incentive shall be available only for hard white winter wheat that grades U.S. #2 grade or higher established by the Federal Grain Inspection Service (FGIS).

Production Incentive Payment Eligibility

To be eligible to receive the production incentive payment, a producer must:

1. Submit a complete application during the application period.
2. Produce hard white wheat of the quality required
3. Have an interested buyer with the intent to use the wheat for all purposes except for feed use.

Producers Maximum Payment Quantity

The maximum payment quantity of hard white wheat for which a producer may be approved under the production incentive payment for any year shall be the smaller of:

1. The actual number of bushels harvested from the acres certified on the application; or
2. The product of: # of acres certified on the application x 60 bushels per acre.

Production Incentive Payment Calculation

The payment for the production incentive shall be the product of:
of bushels x \$0.20.

Certified Seed Incentive Payment

In order to encourage purity and yield potential of the hard white wheat production an additional incentive payment is provided in the amount of \$2.00 per acre for each acre a producer plants to hard white wheat with certified seed for the crop years 2003 through 2005.

Producers utilizing this option will be required to show proof that certified seed was planted on the reported acres. Minimum quality standards have been determined to be U.S. #2 Hard White Wheat or better, as established by Federal Grain Inspection Service (FGIS).

A certified seed incentive payment shall be available for each acre planted to certified hard white wheat seed, as approved by the Commodity Credit Corporation (CCC).

Note: Producers are eligible to receive incentive payments for the production incentive or the certified seed incentive, or both. Each incentive payment is independent of the other.

Certified Seed Incentive Payment Eligibility

To be eligible to receive the certified seed incentive payment, a producer must:

1. Submit a complete application during the application period;
2. The producer must submit a receipt for the purchase of certified seed to FSA.

Certified Seed Incentive Calculation

The payment for the certified seed incentive payment shall be product of: # of acres certified on the application x \$2.00.

Signup

Signup for the Hard White Wheat Incentive Program began on March 3, 2003. Producers may receive and submit an application at their local county FSA office.

For Additional Information

Additional information may be obtained at local FSA offices or through the Montana FSA Web site at www.fsa.usda.gov/mt

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